

Presentment Date and Time: August 31, 2022 at 10:00 a.m. (Eastern Time)

Objection Deadline: August 30, 2022 at 4:00 p.m. (Eastern Time)

Hearing Date and Time (Only if Objections Filed): To Be Determined

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	: Case No. 18-23538 (RDD)
Debtors.¹	: (Jointly Administered)
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**NOTICE OF PRESENTMENT OF STIPULATION
RESOLVING THE ORACLE AMERICA, INC. ADMINISTRATIVE CLAIM**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovol Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is c/o M-III Partners, LP, 1700 Broadway, 19th Floor, New York, NY 10019.

PLEASE TAKE NOTICE that Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), will present the *Stipulation Resolving the Oracle America, Inc. Administrative Claim* (the “**Stipulation**”) to the Honorable Robert D. Drain, United States Bankruptcy Judge, for signature on **August 31, 2022 at 10:00 a.m. (Eastern Time)**. A copy of the Stipulation is attached hereto as **Exhibit 1**.

PLEASE TAKE FURTHER NOTICE that, unless a written objection to the Stipulation is served and filed together with proof of service with the Clerk of the Court, and a courtesy copy is delivered to the undersigned and to the chambers of the Honorable Robert D. Drain, so as to be received by **August 30, 2022 at 4:00 p.m. (Eastern Time)**, there will not be a hearing to consider the Stipulation, and the Stipulation may be signed and entered by the Court.

PLEASE TAKE FURTHER NOTICE that, only if a written objection is timely filed and served with respect to the Stipulation, a hearing will be held on a date **to be determined** (the “**Hearing**”) to consider the Stipulation before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 118, 300 Quarropas Street, White Plains, New York, 10601-4140 (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that objecting parties are required to attend the Hearing and failure to appear may result in relief being granted upon default.

Dated: August 25, 2022
New York, New York

/s/ Garrett A. Fail
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Exhibit 1

Stipulation

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, et al.,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors.¹	:	(Jointly Administered)

STIPULATION RESOLVING THE ORACLE AMERICA, INC.
ADMINISTRATIVE CLAIM

This Stipulation and Order (the “**Stipulation**”) is made as of August 25, 2022, by and between Sears Holdings Corporation (“**Sears**”) and its debtor affiliates, as debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), Transform Holdco LLC (“**Transform**”), and Oracle America, Inc., successor in interest to PeopleSoft, Inc., Maxymiser, Inc., Responsys, Inc., and Global Logistics Technologies, Inc. (“**Oracle**” and together with the Debtors and Transform, the “**Parties**”), through their respective and duly authorized counsel of record.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is c/o M-III Partners, L.P., 1700 Broadway, 19th Fl., New York, NY 10019.

RECITALS

WHEREAS, on October 15, 2018, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”);

WHEREAS, on November 15, 2019, Oracle filed *Oracle’s Request for Allowance and Payment of Chapter 11 Administrative Expense Claim* [Docket No. 6039] (the “**Oracle Administrative Expense Motion**”) in the amount of \$2,528,521.60.

WHEREAS, on March 19, 2020 the Bankruptcy Court entered its *Stipulation and Order by and Among Debtors, Buyer, Transform and Oracle America, Inc.* [Docket No. 7479] (the “**Assignment Stipulation**”). Among other things, the Assignment Stipulation reduced the amount asserted by the Oracle Administrative Expense Motion from \$2,528,521.60 to \$1,357,312.71, currently reflected in the Debtors’ claim register as Claim Number 20588 (the “**Oracle Administrative Claim**”).

WHEREAS, following good-faith negotiations, the Parties have reached an agreement to resolve the Oracle Administrative Claim in exchange for a total cash payment to Oracle of \$725,000 on the terms set forth herein;

NOW, THEREFORE, based upon the foregoing recitals, which are incorporated as though fully set forth herein, the Parties have agreed to resolve the Oracle Administrative Claim as follows:

1. Within five (5) business days of the date upon which the Bankruptcy Court approves this Stipulation (the “**Effective Date**”), the Debtors shall pay Oracle a total of \$375,000.00 (the “**Debtor Payment**”) by wire transfer of immediately available funds in

accordance with wire-transfer instructions to be provided by counsel for Oracle (the “**Wire-Transfer Instructions**”).

2. Subject to the occurrence of the Effective Date, Transform shall pay Oracle a total of \$350,000.00 (the “**Transform Payment**” and together with the Debtor Payment, the “**Settlement Payment**”), which amount shall be paid as follows:

- a. within five (5) business days of the Effective Date, Transform shall pay Oracle \$116,668.00 by wire transfer of immediately available funds in accordance with the Wire-Transfer Instructions;
- b. within thirty (30) days of the Effective Date, Transform shall pay Oracle a total of \$116,666.00 by wire transfer of immediately available funds in accordance with the Wire-Transfer Instructions; and
- c. within sixty (60) days of the Effective Date, Transform shall pay Oracle a total of \$116,666.00 by wire transfer of immediately available funds in accordance with the Wire-Transfer Instructions.

3. Upon receipt of the Settlement Payment, the Oracle Administrative Expense Motion shall be deemed resolved and settled and the Oracle Administrative Claim shall be deemed disallowed and expunged; Oracle shall have no secured, administrative, or priority claims against the Debtors.

4. Upon receipt of the Settlement Payment, Oracle, on behalf of itself and its affiliates, officers, directors, employees, representatives and other related parties (collectively, “**Related Parties**”) hereby waives and shall be forever barred from asserting any claims or right to payment with respect to the matters underlying the Oracle Administrative Claim against the Debtors, Transform or any of their respective Related Parties.

5. Upon Oracle's receipt of the Settlement Payment, each of the Debtors and Transform, each on behalf of themselves and their Related Parties, hereby waive and shall be forever barred from asserting any claims or right to payment with respect to the matters underlying the Oracle Administrative Claim against each other or any of their respective Related Parties.

6. The Debtors, the Debtors' claims and noticing agent, Prime Clerk, and the Clerk of this Bankruptcy Court are authorized to take all actions necessary or appropriate to give effect to this Stipulation.

7. The Bankruptcy Court shall retain jurisdiction to resolve any disputes or controversies arising from this Stipulation.

8. This Stipulation is a compromise of disputed claims, and nothing contained in this Stipulation shall be construed to be an admission of fault or liability on the party of any party, all such fault or liability being expressly denied by each party.

9. This Stipulation shall constitute the entire agreement and understanding of the Parties relating to the subject matter hereof, including the Oracle Administrative Expense Motion and the Oracle Administrative Claim, and supersedes all prior agreements and understandings relating to the subject matter hereof.

10. Each of the undersigned who executes this Stipulation by or on behalf of a Party represents and warrants that he or she has been duly authorized and empowered to execute and deliver this Stipulation on behalf of such Party.

11. This Stipulation shall not be modified, altered, amended, or vacated without the written consent of all Parties hereto or by further order of the Bankruptcy Court.

12. This Stipulation may be executed in one or more counterparts, including electronic counterparts, all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, this Stipulation has been executed and delivered as of the date first above written.

Dated: August 25, 2022
New York, New York

By: /s/ Sean A. O'Neal

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Attorneys for Oracle America, Inc.

SO ORDERED:

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

Dated: White Plains, New York
August _____, 2022